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10/28/2003

Guenter Schmidt

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7590

08/21/2008

MINTZ, LEVIN, COHN, FERRIS, GLOVSKY & POPEO, P.C.

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ONE FINANCIAL CENTER

BOSTON, MA 02111

EXAMINER

ARAQUE JR, GERARDO

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**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b> 10/695,428	<b>Applicant(s)</b> SCHMIDT ET AL.	
	<b>Examiner</b> Gerardo Araque Jr.	<b>Art Unit</b> 3689	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 04 December 2007.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1,3-11,13-16,18-26 and 28 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1,3-11,13-16,18-26 and 28 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)                     | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)          | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____  | 6) <input type="checkbox"/> Other: _____                          |

## DETAILED ACTION

### ***Claim Rejections - 35 USC § 101***

1. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

2. **Claims 1 – 13** are rejected under 35 U.S.C. 101 because the applicant is claiming a system with no structural components. As best understood by the Examiner from the applicant's specification, the limitations set forth in the claims are directed to software and software, per se, is not statutory. Moreover, the Examiner notes that the applicant is claiming the system by what it does and not by the structure to perform the claimed invention.

3. **Claims 14 – 28** are rejected under 35 U.S.C. 101 because based on Supreme Court precedent, and recent Federal Circuit decisions, the Office's guidance to examiner is that a § 101 process must (1) be tied to another statutory class (such as a particular apparatus) or (2) transform underlying subject matter (such as an article or materials) to a different state or thing. *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780, 787-88 (1876).

An example of a method claim that would not qualify as a statutory process would be a claim that recited purely mental steps. Thus, to qualify as a § 101 statutory process, the claim should recite the other statutory class (the thing or product) to which it is tied, for example by identifying the apparatus that accomplishes the method steps,

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or positively recite the subject matter that is being transformed, for example by identifying the material that is being changed to a different state.

Here, applicant's method steps, fail the first prong of the new Federal Circuit decision since they are not tied to another statutory class and can be performed without the use of a particular apparatus. Thus, **claims 14 – 28** are non-statutory since they may be performed within the human mind.

***Claim Rejections - 35 USC § 103***

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. **Claims 1 – 28** are rejected under 35 U.S.C. 103(a) as being unpatentable over **Davis et al. (US PGPub 2006/0149653 A1)** in view of **Dan et al. (US PG Pub 2002/0178103 A1)**.

6. In regards to **claims 1 and 14** , **Davis** discloses a computer-implemented method of generating contracting documents, comprising:

receiving a contract renewal indication (**Page 1 ¶ 13 – 14**);

generating a bid invitation in response to the renewal indication, the bid invitation including a plurality of offered terms and a plurality of requested terms (**Page 2 ¶ 23; Page 3 ¶ 34**);

receiving one or more bid responses (**Page 3 – 4 ¶ 35**); and

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a bid aggregator configured to score the bids according to a predetermined scoring standard, the predetermined scoring standard assigning a relative importance to a plurality of terms within the bids (**Page 2 ¶ 17; Page 10 ¶ 148 Page 11 ¶ 156; Claim 5; wherein Davis discloses that a buyer can run a "what if" scenario to analyze proposals by permitting the buyer to change one or more terms of a quote and then based upon the same analytical review, observing how the buyer's results are affected in order to assist the buyer in his or her decision making process on which proposal is a better option for the buyer. Davis further discloses that the terms include advertising contribution, shipping terms, payment terms, schedule of delivery, quality, and quantity discount.**).

**Davis** discloses that contract terms and conditions are posted in order to allow negotiations to take place between a buyer and a seller. Moreover, the initiating user allows the responding user to open its proposal for changes, and a contract may then be awarded. Further still, **Davis** discloses that purchasing events may be replenishment events. Replenishment events are regularly scheduled events at which previously approved sellers quote on items designated by the purchaser from a list of regularly purchased items (**see Page 1 ¶ 7, 10; Page 4 ¶ 35**).

However, **Davis** fails to explicitly state:

generating a contract by incorporating information from a previous contract and one of the responsive bids.

**Dan**, however, discloses that it is old and well known for contracts to be formed from information provided by one or more parties in one or more electronic documents

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prior to the negotiation. Specifically, **Dan** teaches that a starting state of a contract can be formed from a previous contract (**see Page 1 ¶ 8; Page 2 ¶ 10; Claim 8**).

Therefore, it would have been obvious to one having ordinary skill in the art at the time of the invention in view **Davis**, which teaches the concept of replenishment purchasing events that already contain previously approved seller quotes, in view of **Dan**, which teaches that new contract can be formed based on prior contracts, since both teach the concept of using previously used information (seller information and contract information) to create a new agreement.

Regarding the system components to carry out the method steps, **Davis** discloses a method of computer assisted procurement of products to be purchased over an Internet website (**see claim 31, for example**). Although, **Davis** fails to explicitly disclose a storage device, an interface, invitation generator, and contract generator the Examiner asserts that all the components are obviously included. As discussed above, the combination of **Davis and Dan** discloses using previously used information to create a new agreement wherein it would have been obvious to one of ordinary skill in the art that the previously used information must be stored on the computer system, such as in the form of cookies. Further still, **Davis** e-mailing buyer invitations to sellers identified by the buyers, wherein it would have been obvious to one of ordinary skill in the art that the invitations are in electronic form and, thus, would have to have been generated electronically, which also holds true for the contract generator as well. Lastly, all of the above-mentioned steps can only have been accomplished because an

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interface had to obviously been included, such as an input device like a mouse and keyboard and a monitor so that the website, bids, and other information can be viewed.

Therefore, it would have been obvious to one having ordinary skill in the art at the time of the invention that **the combination of Davis and Dan** obviously included a storage device, interface, and bid invitation and contract generator in order to properly carry out the above-mentioned steps.

7. In regards to **claims 3 and 18**, **Davis** discloses further comprising selecting the one of the responsive bids from which the new contract is formed **(obviously included; see also Page 1 ¶ 7, 10; Page 4 ¶ 35)**.

8. In regards to **claims 4 and 19**, **Davis** discloses further comprising selecting the highest scoring bidder according to the predetermined scoring standard for the new contract **(Page 1 ¶ 14; Page 4 ¶ 35; Claim 7(ii))**.

9. In regards to **claims 5 and 20**, **Davis** discloses further comprising triggering the generation of a bid invitation upon the occurrence of the pending expiration of a prior contract **(Page 2 ¶ 15, 22)**.

10. In regards to **claims 6 and 21**, **Davis** discloses further comprising triggering the generation of a bid invitation upon the meeting of a target quantity on a prior contract **(Page 1 ¶ 13, 14)**.

11. In regards to **claims 7 and 22**, **Davis** discloses wherein a portion of the new contract is formed based on previously agreed upon terms between the buyer and a selected bidder **(Page 1 ¶ 7, 13, 14; Page 5 ¶ 96; Page 3 – 4 ¶ 33 – 35; wherein in a replenishment purchasing event sellers have already been pre-approved)**.

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12. In regards to **claims 8 and 23**, **Davis** discloses wherein a portion of the new contract is formed based on provisions selected by the buyer during performance of a prior contract (**Page 1 ¶ 7, 13, 14; Page 5 ¶ 96; Page 3 – 4 ¶ 33 – 35; wherein in a replenishment purchasing event sellers have already been pre-approved**).

13. In regards to **claims 9 and 24**, **Davis** discloses wherein the bid invitation offers a plurality of selectable provisions associated with a contract clause (**Page 2 ¶ 23; Page 3 ¶ 34; Page 1 ¶ 7, 10; Page 4 ¶ 35**).

14. In regards to **claims 10 and 25**, **Davis** discloses further comprising generating a summary of terms from two or more of the responsive bids (**Page 2 ¶ 17; 4 – 5 ¶ 35**).

15. In regards to **claims 11 and 26**, **Davis** discloses further comprising supervising contracting workflow to allow for approval of the new contract (**Page 10 ¶ 146; Page 14 ¶ 254**).

16. In regards to **claim 13**, **Davis** discloses wherein the bid invitation is provided in the form of a term sheet (**Page 2 ¶ 23; Page 3 ¶ 34**).

17. In regards to **claim 15**, **Davis** discloses wherein the contract renewal indication is associated with the expiration of a prior contract (**Page 2 ¶ 15; Page 12 ¶ 205**).

18. In regards to **claim 16**, **Davis** discloses wherein the contract renewal indication comprises instructions from a user to initiate a new contract (**Page 3 ¶ 33; Page 3 – 4 ¶ 35; Page 10 ¶ 147**).

19. In regards to **claim 28**, **Davis** discloses wherein the bid invitation is provided in the form of a term sheet, the term sheet comprising an abbreviated form of terms in the

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contract (**Page 2 ¶ 23; Page 3 ¶ 34; wherein the recipient must click the link to see the full details of the terms**).

***Response to Arguments***

20. Applicant's arguments with respect to **claims 1, 3 – 11, 13 – 15, 18 – 26, and 28** have been considered but are moot in view of the new ground(s) of rejection.

***Conclusion***

21. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Gerardo Araque Jr. whose telephone number is (571)272-3747. The examiner can normally be reached on Monday - Friday 8:30AM - 4:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Janice Mooneyham can be reached on (571) 272-6805. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/G. A./  
Examiner, Art Unit 3689  
8/18/08

/Janice A. Mooneyham/  
Supervisory Patent Examiner, Art Unit 3689